

April 2, 1927.

I hereby veto Senate Bill Number 364, being "An Act to amend Article 1302 of the Revised Civil Statutes of 1925, so as to authorize the formation of private corporations for the purpose of acquiring, owning and colonizing land, provided that no such corporation shall acquire or own more than 100,000 acres of land in this State; repealing any law or part of law in conflict herewith; and declaring an emergency."

This bill authorizes the creation of private corporations for the purpose of acquiring, owning and colonizing lands not exceeding 100,000 acres.

It is a principle of sound government and economics that excessive speculation in land is harmful to the public good. Violation of this principle has led to all manner of agrarian evils, as authentic history substantiates. Other governments less jealous of their domain than ours have come to bitter paths through their neglect. The policy existing in this State with reference to corporations owning land is one which was advocated by Governor James S. Hogg in his campaigns, and it was one of his administration measures. In a speech delivered at Rusk, Texas, in April, 1890, which was his opening speech as a candidate for Governor, he advocated the enactment of laws which would govern the ownership of lands by private corporations. The reasons which he presented in that speech for statutes controlling this question are as forceful today as they were at that time, if they are not even more compelling under present conditions.

Such measures were advocated in his message to the 22nd Legislature; his proclamation convening the 22nd Legislature in special session, and his message to that session; in his opening speech as a candidate for re-election at Wills Point in April, 1892; in his speech delivered at Dallas in the gubernatorial campaign of 1892; in the Democratic platform of 1892, and in his message to the 23rd Legislature.

Out of his advocacy of such a law the 23rd Legislature passed a bill on the question, which bill was approved by Governor Hogg on March 24, 1893. An amendment to the original Act was adopted at the regular session of the 24th Legislature during the administration of Governor G. A. Culberson. This bill was presented to Governor Culberson, but he did not act upon it and allowed it to become a law without his signature. With the several revisions of the statutes since that time

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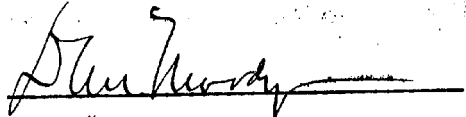
some changes have been brought about in the law as originally passed, but its general principles remain the same, and are found in Chapter 4, Title 32, Revised Civil Statutes of Texas, 1925.

I do not know what effect the bill under consideration would have upon these statutes, nor do I care to speculate further than to say that the bill would apparently repeal certain of these statutes, and it would materially change the established policy of this State on the subject with which it deals.

I am conscious of the fact that at least one of the purposes for which corporations may be organized in this State has been made the means of creating corporations which own large bodies of land, but it has been justified upon the basis that such ownership was necessary to enable such corporations to do business in this State and accomplish the general purpose of their existence.

The reasons for the law as it exists were wholesome and had a good purpose at the time of the adoption of such policy, and I do not believe that good reason exists for the change at this time, or better stated, I am unwilling to consent to a change of this policy. Texas, rich and vast in acres, has taken wise counsel in guarding her land against unwise traffic.

Because the bill would permit corporations to be created for the purpose of owning, holding and speculating on the value of land, and because it changes this long established and beneficial policy of the State, I hereby veto it.



Governor of Texas.